

**Utah Insurance Department**  
**Content Standards**  
**Individual Whole Life (Burial, Graded Death Benefit, Joint First-to-Die, Last Survivor)**

These Standards are provided to assist the insurer in filing forms and rates. They are not intended to be all-inclusive and are a work in progress. References beginning with "31A" refer to the insurance code as part of Utah Code Annotated (U.C.A.) and those beginning with "R590" refer to department rules as part of the Utah Administrative Code (U.A.C.). All references should be reviewed for compliance. As required by U.C.A. § 31A-21-201(2), the insurer is responsible for assuring that forms and rates submitted are in compliance with the Utah Insurance Code and Rules.

FILING PROCEDURES		
Filing of Forms	31A-21-201 R590-226-5 R590226-7	Forms are accepted on a "FILE AND USE" basis. It is the insurer's responsibility that the filing is in compliance with Utah law and rules.
Sample Data	31A-2-202(6) R590-226-5	All filing information and data must be accurate, complete and consistent within all filing documents. The data page must contain amounts consistent with the actuarial memorandum and demonstration of values. Failure to comply may subject the insurer to enforcement penalties under 31A-2-308.
Variability - (bracketed data)	31A-21-201 R590-226-6 R590-226-7	Any information that is variable must be bracketed and must be explained in a statement of variability. Any change in the items contained within the brackets must be refiled prior to use.
GENERAL REQUIREMENTS		
Application	31A-21-201(3) R590-93	An application must identify the insurer's name and address; must contain a replacement statement to be signed by the applicant and a statement to be signed by the agent. The application may not contain vague health questions without a time limit.
Arbitration	31A-21-314 R590-122 Bulletin 96-8	An arbitration provision must be properly disclosed in the policy, certificate, application and enrollment forms and must be in compliance with law and rules.
Assignment	31A-22-412	Subject to the exceptions allowed in the code, the assignment provision must allow the owner of any rights in the policy to assign any of those rights.
Autopsy & Physical Exam	31A-22-417	Autopsy and/or physical examination are at the company's expense.
Benefits	31A-21-201(3)	The policy shall clearly state the benefit amounts and shall describe in detail how the benefits are calculated. Any factor used in the determination of the benefit amounts must be stated in the policy.
Claims Settlement	31A-26-301(1) R590-191-4 R590-191-5	All proceeds and claims settlement provisions must provide for prompt claim handling. Interest must be paid if the claim is not settled within requires payment of interest if the claim is not settled within 15 days of completion of the investigation.
Coverage Name, Description & Special Features	31A-22-426	The coverage name or title, a brief description of the coverage and any special features must be disclosed on the policy cover; i.e. whole life, limited benefit life, etc.
Data Page	R590-226-7	The data page must disclose the specific data for the coverage including the benefits, amounts, durations, premium information, and any other benefit data applicable to the insured. All filing data must be consistent with the actuarial memorandum and other filing documents.
Death Benefit	31A-21-201(3) 31A-22-408	The policy must clearly describe the death benefit and how the proceeds are determined.
Deferral of Surrender Value	31A-22-408(2) R590-98	The right to defer surrender value for six months <u>with consent of the commissioner</u> must be in the policy.
Entire Contract Provision	31A-22-424	The contract must contain an entire contract provision that defines the documents and agreements that constitute the entire contract.
Examination Period	31A-22-423	An examination period of 10 days for new issues and 30 days for replacement policy is required. A refund of

		premium is required upon return of the policy within the examination period.
Grace Period	31A-22-402	Grace period entitles the policyholder to at least a 31-day grace period during which the policy continues in full force.
Illustration or Projection	R590-177-10	When the policy is illustrated, the illustration provision must allow for one free illustration per year.
Incontestability	31A-22-403	Incontestability provision states that the policy is incontestable after it has been in force during the lifetime of the insured for a period of two years. The code does not allow an exception for fraud. A survivor policy is incontestable after it has been in force during the lifetime of the surviving insured for a period of two years.
Incorporation by Reference	31A-21-106	Except as provided in 31A-21-106(1)(b), no policy may contain any agreement or incorporate any provision not fully set forth in the policy.
Insurable Interest	31A-21-104	Policies used in the Bank Owned Life Insurance (BOLI) and Corporate Owned Life Insurance (COLI) must include an individual application or a Notice of Consent form to be signed by the life to be insured. The extent of the employer's insurable interest is limited to an amount commensurate with employer's unfounded liabilities.
Insurer Name	31A-21-201(3)(a)(iii) 31A-21-301(1)(a)	The exact name of the insurer, the administrative office address, and state of domicile must be identified conspicuously on the policy.
Limitation of Actions	31A-21-313 31A-21-314	Such provisions may not restrict the time for beginning an action to earlier than 60 days and no more than three years from the date the cause of action accrues. The provision may not deny Utah courts of jurisdiction.
Loan Interest	31A-22-420	Interest may be fixed or adjustable as required by the rule. Utah does not allow an additional expense charge or fee.
Maturity Date	31A-21-301(1)(f)	Maturity date must be disclosed.
Misstatement of Age and/or Sex	31A-22-405	Policy must state that if the age and/or sex of the insured is misstated in an application and the error is not adjusted during the person's lifetime, the amount payable is what the premium paid would have purchased at the correct age and/or sex. The code does not allow for an adjustment due to misstatement of a rating class for tobacco use or for smoking status.
Participating Policy	31A-22-418	If the policy participates in the divisible surplus of the company, the conditions of the participation must be included in the policy. Every participating policy must give its holder full right to participate annually in the surplus accumulations from the participating business that are distributed.
Payment of Values	R590-98	A request for payment of values must be processed within the allowable time limits.
Premiums	31A-21-302	Premiums for the policy and for each rider must be clearly disclosed separately on the data pages. Policy fees and charges must be disclosed separately.
Proof of Loss	31A-21-312	Proof of loss provision allows the insured or claimant to file the notice and/or proof of loss as soon as reasonably possible. Failure to file within the time specified does not invalidate a claim if the insured or claimant shows that it was not reasonably possible to file within the time specified and that notice and/or proof was filed as soon as reasonably possible. The provision <u>may not</u> state that in no event, except in the absence of legal capacity, may proof be filed later than the time proof is otherwise required.
Reinstatement	31A-22-407 R590-108	Policy allows reinstatement within three years of the date of premium default
Settlement Options	31A-22-406	If the policy provides that proceeds may be payable in installments that are determinable at the issue of the policy then it shall provide a table showing the amounts and intervals of the installments.
Suicide	31A-22-404	Suicide is allowed as a defense to a claim during the first two years from the date coverage is effective and for the two years after an increase in coverage. The policy must provide for payment of an amount not less than the premium paid for the policy.
Unfair, Misleading, Deceptive Provisions.	31A-21-201(3)(a)	Forms may not be inequitable, unfairly discriminatory, misleading, deceptive, obscure, unfair, encourage misrepresentation, or not in the public interest. The policy may not contain inconsistent, ambiguous or misleading clauses.
Values	31A-22-408	Nonforfeiture values and cash surrender values must be clearly disclosed in the policy. All guaranteed surrender charges, fees, and expenses must be disclosed. Policy must contain a statement that the cash surrender values and the paid-up nonforfeiture benefits available are not less than the minimum values and benefits required by the state where the policy is delivered.

MARKETING and DISCLOSURE FORMS		
Basic Life Illustration	R590-177	Basic Life Illustration complies with the requirements of the rule.
Statement of Policy Cost and Benefit Information	R590-79-4 R590-79-6.F	Statement of Policy Cost and Benefit Information contains ONLY guaranteed items, such as premiums, death benefit and policy values and otherwise complies with the rule.
ACTUARIAL DOCUMENTS		
Actuarial Memorandum, Demonstration, and Certification of Compliance	31A-17 Part 5 31A-22-408 R590-226-6	Actuarial memorandum, demonstration, and certification comply with the requirements of the rule and applicable law.
Illustration Actuary and Company Officer Certification	R590-177 R590-226-6	Illustration actuary and company officer certification must be included in the filing for any illustrated policy.